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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/801,615	03/08/2001	Benjamin Andrew Himmel	AUS920000849US1	5325

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EXAMINER
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POND, ROBERT M

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 02/26/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/801,615

Applicant(s)

HIMMEL ET AL

Examiner

Robert M. Pond

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 08 March 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-43 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-43 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 08 March 2003 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input checked="" type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                        | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Drawings***

1. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they include the following reference sign(s) not mentioned in the description: Fig. 3 (332). A proposed drawing correction, corrected drawings, or amendment to the specification to add the reference sign(s) in the description, are required in reply to the Office action to avoid abandonment of the application. The objection to the drawings will not be held in abeyance.

### ***Specification***

2. The specification has not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification.
3. The abstract of the disclosure is objected to because it exceeds 150 words. Correction is required. See MPEP § 608.01(b).

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. **Claims 31-43 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

Applicant is claiming program information stored on recordable medium. Claims to computer-related inventions that are clearly nonstatutory fall into the same general categories as nonstatutory claims in other arts, namely natural phenomena such as magnetism, and abstract ideas or laws of nature which constitute "descriptive material." Abstract ideas, *Warmerdam*, 33 F.3d at 1360, 31 USPQ2d at 1759, or the mere manipulation of abstract ideas, *Schrader*, 22 F.3d at 292-93, 30 USPQ2d at 1457-58, are not patentable. Descriptive material can be characterized as either "functional descriptive material" or "nonfunctional descriptive material." In this context, "functional descriptive material" consists of data structures and computer programs which impart functionality when employed as a computer component. (The definition of "data structure" is "a physical or logical relationship among data elements, designed to support specific data manipulation functions." *The New IEEE Standard Dictionary of Electrical and Electronics Terms* 308 (5th ed. 1993).) "Nonfunctional descriptive material" includes but is not limited to music, literary works and a compilation or mere arrangement of data.

Both types of "descriptive material" are nonstatutory when claimed as descriptive material per se. *Warmerdam*, 33 F.3d at 1360, 31 USPQ2d at 1759. When functional descriptive material is recorded on some computer-readable medium it becomes structurally and functionally interrelated to the medium and

will be statutory in most cases since use of technology permits the function of the descriptive material to be realized. Compare *In re Lowry*, 32 F.3d 1579, 1583-84, 32 USPQ2d 1031, 1035 (Fed. Cir.1994) (claim to data structure stored on a computer readable medium that increases computer efficiency held statutory) and *Warmerdam*, 33 F.3d at 1360-61, 31 USPQ2d at 1759 (claim to computer having a specific data structure stored in memory held statutory product-by-process claim) with *Warmerdam*, 33 F.3d at 1361, 31 USPQ2d at 1760 (claim to a data structure per se held nonstatutory). When nonfunctional descriptive material is recorded on some computer-readable medium, it is not statutory since no requisite functionality is present to satisfy the practical application requirement. Merely claiming nonfunctional descriptive material stored in a computer-readable medium does not make it statutory. Such a result would exalt form over substance. *In re Sarkar*, 588 F.2d 1330, 1333, 200 USPQ 132, 137 (CCPA 1978) ("[E]ach invention must be evaluated as claimed; yet semantogenic considerations preclude a determination based solely on words appearing in the claims. In the final analysis under 101, the claimed invention, as a whole, must be evaluated for what it is.") (quoted with approval in *Abele*, 684 F.2d at 907, 214 USPQ at 687). See also *In re Johnson*, 589 F.2d 1070, 1077, 200 USPQ 199, 206 (CCPA 1978) ("form of the claim is often an exercise in drafting"). Thus, nonstatutory music is not a computer component and it does not become statutory by merely recording it on a compact disk. Protection for this type of work is provided under the copyright law.

Claims to processes that do nothing more than solve mathematical problems or manipulate abstract ideas or concepts are more complex to analyze and are addressed below. If the "acts" of a claimed process manipulate only numbers, abstract concepts or ideas, or signals representing any of the foregoing, the acts are not being applied to appropriate subject matter. *Schrader*, 22 F.3d at 294-95, 30 USPQ2d at 1458-59. Thus, a process consisting solely of mathematical operations, i.e., converting one set of numbers into another set of numbers, does not manipulate appropriate subject matter and thus cannot constitute a statutory process.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

- 5. Claims 1-16 are rejected under 35 USC 102(e) as being anticipated by Barni et al. (patent number 6,064,981).**

Barni et al. teach all the limitations of Claims 1-16. For example, Barni et al. disclose a method for identifying an item for purchase to a buyer, using the online service to identify competitive prices (e.g. one or more competing businesses) for

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an item (e.g. a unit of cargo space), and sellers competing for the customer's business by openly viewing competing offers (see at least abstract: col. 1, line 7 through col. 2, line 38). Barni et al. further disclose:

- Receiving a selection of an item for sale: users selecting items from a web site; central system receiving a selection of a selected item (unit of cargo space) for sale by an entity desiring to purchase the item (see at least col. 1, lines 8-61; col. 5, lines 15-30).
- Generating a priced object: first electronic system provides sale item(s) (see at least col. 5, lines 15-30); document or other object formatted according to HTML (see at least col. 1, lines 36-41).
- Providing the priced object: central system provides priced object to a second system (see at least Fig. 2 (32); Fig. 4 (66); col. 4, lines 15-41).
- Storing priced object: central system stores priced objects in a database of item information (see at least col. 6, lines 7-17).
- Generating priced object using one of a: using web browsers, links, plugins, and servlets (see at least col. 3, lines 49-65).
- Second electronic system modifies priced object: an open bidding forum permits one or more online sellers of cargo space to view a competitor's bid, adjusts terms of sale, and post their modified bids for consumer comparison shopping (see at least Fig. 6 (90-96); Fig. 7 (98-110); Fig. 8 (116-130); col. 6, lines 19-65).

- Encrypting priced object: security protocols, Secure Socket Layer (please note encryption is inherent in SSL) (see at least col. 3, lines 44-47).

**6. Claims 17-30 are rejected under 35 USC 102(e) as being anticipated by Barni et al. (patent number 6,064,981).**

Barni et al. teach all the limitations of Claims 17-30. For example, Barni et al. disclose a system with means for identifying an item for purchase to a buyer, using the online service to identify competitive prices (e.g. one or more competing businesses) for an item (e.g. a unit of cargo space), and sellers competing for the customer's business by openly view competing offers (see at least abstract: col. 1, line 7 through col. 2, line 38). Barni et al. disclose a central server and client systems connected via the Internet, web browser user interfaces, database storage, and security protocols (see at least abstract; Fig. 1 (10-28); Fig. 2 (30-38); col. 3, line 10 through col. 4, line 41; col. 6, lines 7-17).

Barni et al. further disclose:

- Receiving a selection of an item for sale: users selecting items for sale central system receives selection of a selected item (unit of cargo space) for sale by an entity desiring to purchase the item (see at least col. 1, lines 8-61; col. 5, lines 15-30).
- Generating a priced object: first electronic system provides sale item(s) (see at least col. 5, lines 15-30); document or other object formatted according to HTML (see at least col. 1, lines 36-41).



- Providing the priced object: central system provides priced object to a second system (see at least Fig. 2 (32); Fig. 4 (66); col. 4, lines 15-41).
- Storing priced object: central system stores priced objects in a database of item information (see at least col. 6, lines 7-17).
- Generating priced object using one of a: web browsers, links, plug-ins, and servlets (see at least col. 3, lines 49-65).
- Second electronic system modifies priced object: an open bidding forum permits one or more online sellers of cargo space to view a competitor's bid, adjusts terms of sale, and post their modified bids for consumer comparison shopping (see at least Fig. 6 (90-96); Fig. 7 (98-110); Fig. 8 (116-130); col. 6, lines 19-65).
- Encrypting priced object: security protocols, Secure Socket Layer (please note encryption is inherent in SSL) (see at least col. 3, lines 44-47).

**7. Claims 31-43 are rejected under 35 USC 102(e) as being anticipated by Barni et al. (patent number 6,064,981).**

Barni et al. teach all the limitations of Claims 31-43. For example, Barni et al. disclose a software program executed on computers for identifying an item for purchase to a buyer, using the online service to identify competitive prices (e.g. one or more competing businesses) for an item (e.g. a unit of cargo space), and sellers competing for the customer's business by openly view competing offers (see at least abstract: col. 1, line 7 through col. 2, line 38). Barni et al. disclose a

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central server and client systems connected via the Internet, web browser user interfaces, database storage, and security protocols (see at least abstract; Fig. 1 (10-28); Fig. 2 (30-38); col. 3, line 10 through col. 4, line 41; col. 6, lines 7-17).

Barni et al. further disclose:

- Receiving a selection of an item for sale: users selecting an item for sale; central system receives selection of a selected item (unit of cargo space) for sale by an entity desiring to purchase the item (see at least col. 1, lines 8-61; col. 5, lines 15-30).
- Generating a priced object: first electronic system provides sale item(s) (see at least col. 5, lines 15-30); document or other object formatted according to HTML (see at least col. 1, lines 36-41).
- Providing the priced object: central system provides priced object to a second system (see at least Fig. 2 (32); Fig. 4 (66); col. 4, lines 15-41).
- Storing priced object: central system stores priced objects in a database of item information (see at least col. 6, lines 7-17).
- Generating priced object using one of a: web browsers, links, plug-ins, and servlets (see at least col. 3, lines 49-65).
- Second electronic system modifies priced object: an open bidding forum permits one or more online sellers of cargo space to view a competitor's bid, adjusts terms of sale, and post their modified bids for consumer comparison shopping (see at least Fig. 6 (90-96); Fig. 7 (98-110); Fig. 8 (116-130); col. 6, lines 19-65).

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- Encrypting priced object: security protocols, Secure Socket Layer (please note encryption is inherent in SSL) (see at least col. 3, lines 44-47).

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***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to **Mr. Robert M. Pond** whose telephone number is 703-605-4253. The examiner can normally be reached Monday-Friday, 8:30AM-5:30PM Eastern.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Mr. Vincent Millin** can be reached on 703-308-1065.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the **Receptionist** whose telephone number is **703-308-1113**.

Any response to this action should be mailed to:

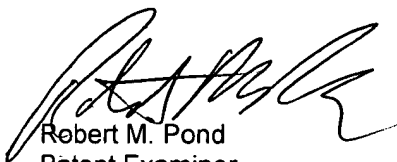
***Commissioner of Patents and Trademarks***

***Washington D.C. 20231***

or faxed to:

**703-872-9306** (Official communications; including After Final communications labeled "Box AF")

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, 7<sup>th</sup> floor receptionist.

  
Robert M. Pond  
Patent Examiner  
February 18, 2004